Government does not earn the profit. It facilitates the exports to boost the exports. However, in the year 2008-09 (April-December), 145.09 million kgs of tea was exported earning a foreign exchange equivalent to Rs.1786.58 crores (estimated).

E-auction of tea

†259. SHRI SAMAN PATHAK: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government is aware that Tea Board has recently announced e-auction (auction through internet);

(b) if so, the details thereof;

(c) whether the export of tea is likely to be enhanced; and

(d) whether existing auction centres will be affected from e-auction?

THE MINISTER OF STATE IN THE DEPARTMENT OF COMMERCE, MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH): (a) and (b) The re-designed E-auction system for tea has been inaugurated at the following centers:-

Auction Centres	Inauguration date
Kolkata tea auction centre	19.11.2008
Guwahati tea auction centre	08.12.2008
Siliguri tea auction centre	13.12.2008
Coimbatore tea auction centre	20.12.2008
Cochin tea auction Centre	20.12.2008
Coonoor tea auction centre	21.12.2008

(c) The re-designed e-auction system will reduce transaction time and cost which in turn may increase exports.

(d) The re-designed E-auction system will replace the existing manual tea auction system.

FDI in aviation sector

260. SHRI DHARAM PAL SABHARWAL: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that Foreign Investment Promotion Board (FIPB) is considering a proposal to raise FDI in aviation sector;

(b) if so, what are the reasons for considering such a proposal in view of 26/11 Mumbai terror attack;

†Original notice of the question was received in Hindi.

(c) whether Ministry of Home Affairs and Ministry of Defence have been consulted in allowing FDI in sensitive sector like aviation; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE DEPARTMENT OF INDUSTRIAL POLICY AND PROMOTION, MINISTRY OF COMMERCE AND INDUSTRY (SHRI ASHWANI KUMAR): (a) No, Sir. FIPB is not considering any proposal to raise FDI in the aviation sector.

(b) Does not arise.

(c) and (d) As per extant Foreign Direct Investment (FDI) policy up to 49% and NRI investment up to 100% is permitted on the automatic route, subject to no direct or indirect participation by foreign airlines.

Air transport services being sub-divided into Scheduled domestic airlines and Non-Scheduled airlines etc. as below:

(i) No change in the equity cap of 49% in Scheduled Domestic Airlines with NRI 100% and no participation by foreign airlines.

(ii) FDI up to 74% on the automatic route for Non Scheduled airlines, Chartered airlines and Cargo airlines (excludes helicopter services/seaplane services).

— No direct or indirect participation by foreign airlines in non-scheduled airlines and chartered airlines.

— Cargo airlines has no restriction on participation by foreign airlines.

— NRI investment would be allowed up to 100% on the automatic route in all the above mentioned categories.

(iii) FDI up to 74% on the automatic route for Ground Handling Services subject to sectoral regulations and security clearance. NRI investment would be allowed up to 100% on the automatic route.

(iv) FDI up to 100% on the automatic route for Maintenance and repair organizations; flying training institutes; technical training institutions; and helicopter services/ seaplane services in the aviation sector requiring DGCA approval.

Review of FDI policy is an on-going process. The policy on FDI is approved after inter-ministerial consultations, after obtaining views of all concerned Ministries/Departments. All concerns of national security are being constantly addressed by the Government suitably.

Industrial policy for hilly States

†261. SHRI BHAGAT SINGH KOSHYARI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

---

†Original notice of the question was received in Hindi.